Your Way

2026 QUARTERLY REVIEW

Franklin Financial Services Corporation

F&M TRUST

A DECADE OF LOCAL 'LOVE'

F&M Trust marks the 10th anniversary of **Banktoberfest** – the annual bankwide initiative that dedicates volunteer time, talent and resources to the community. This year, we support **Autism Awareness**.

▶ SEE PAGE 5

2 QUARTER VIEW
Notes from the CEO

4 INVESTOR NEWS
Financial Highlights • Q3

5 BANK NEWS
Autism Awareness and 10 Years of Banktoberfest

6 BANK PRODUCTS
The Right Mortgage

7 LEADING THE WAY
Noteworthy Promotions

8 HELPFUL WAYS
Scholarship Established in Hagerstown, MD





Craig Best
CEO

Understanding Our Independence



As an independent community bank, F&M Trust has the freedom to meet the needs of our customers, employees, and communities without being constrained by the policies and procedures of a bank headquartered outside our market area. Being independent allows us to focus our resources and talents on the unique needs of the communities, customers, and employees of Central Pennsylvania and Northern Maryland.

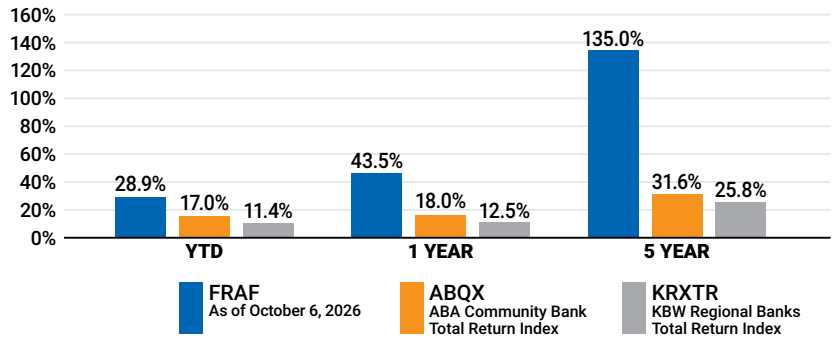
For our communities, that means providing access to capital where it is most needed and supporting local organizations that support those in need. For our customers, it means providing access to credit using policies that are developed specifically for our customers, not customers in New York, North Carolina, or California. And being independent allows us to tailor compensation, health benefits, and policies for our employees and their families who live in our local markets.

So, what does it take to be able to maintain our independence? It requires us to provide our owners (shareholders) with an acceptable return on their investments in our company. As the chart provided illustrates, we feel our employees have delivered the results necessary to continue focusing our resources on the communities, customers, and employees of Central Pennsylvania and Northern Maryland.

COMPANY HEADQUARTERS AND OPERATIONS CENTER
Chambersburg PA



FRAF TOTAL SHAREHOLDER RETURN

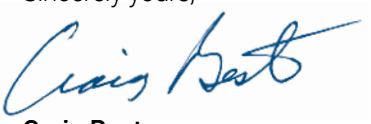


SOURCE: BLOOMBERG & NASDAQ

To sustain our position as an independent community bank, we must all work together to consistently deliver strong results. I am optimistic about the future of the company and excited about the opportunities.

If you would like to learn more about *Banking Done Your Way*®, please visit us online at fmtrust.bank, stop by your nearest F&M Trust location, or connect with my office at 717-261-3551. Keep reading to learn details on how F&M Trust serves customers, shareholders, and our local communities. Thank you for your continued support and your investment in our company.

Sincerely yours,



Craig Best
Chief Executive Officer
Franklin Financial Services Corporation
and F&M Trust

3RD QUARTER FINANCIAL HIGHLIGHTS

Dollars in thousands except per-share data / Unaudited

Selected Financial Data	Sep 30, 2026	Sep 30, 2025	Change
Total Assets	$ 2,364,724	$ 2,297,077	2.9%
Loans, Net	$ 1,603,024	$ 1,543,515	3.9%
Deposits	$ 1,957,400	$ 1,902,895	2.9%
Book Value per Common Share	$ 39.48	$ 37.15	6.3%
Return on Average Assets[1]	1.43%	0.93%	+50 bps
Return on Average Equity[1]	18.53%	13.39%	+514 bps

MARKET VALUE Per Share

Source: Nasdaq.com



$64.26[2]
THIRD QUARTER HIGH

THIRD QUARTER LOW
$60.98[2]

COMPLETE EARNINGS DETAILS AVAILABLE AT **FRANKLINFIN.COM**

Certain statements appearing herein which are not historical in nature are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements refer to a future period or periods, reflecting management's current views as to likely future developments, and use words "may," "will," "expect," "believe," "estimate," "anticipate," or similar terms. Because forward-looking statements involve certain risks, uncertainties and other factors over which Franklin Financial Services Corporation has no direct control, actual results could differ materially from those contemplated in such statements. These factors include (but are not limited to) the following: general economic conditions, changes in interest rates, changes in the Corporation's cost of funds, changes in government monetary policy, changes in government regulation and taxation of financial institutions, changes in the rate of inflation, changes in technology, the intensification of competition within the Corporation's market area, and other similar factors.

We caution readers not to place undue reliance on these forward-looking statements. They only reflect management's analysis as of this date. The Corporation does not revise or update these forward-looking statements to reflect events or changed circumstances. Please carefully review the risk factors described in other documents the Corporation files from time to time with the SEC, including the Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, and any Current Reports on Form 8-K.

1 - Quarterly results annualized. 2 - At close.



BANKTOBERFEST 2026
CELEBRATING OUR 10TH YEAR



Autism Awareness Is This Year's Focus

More than 250 employees recently spent an afternoon learning about autism, with a focus on experiences relevant to children with autism.

As part of the event, employees packed backpacks with items intended to support and comfort autistic children. The filled backpacks are being donated to the **Laurel Hall School**, a non-public special education school, and other local organizations.

Through interactive activities, F&M Trust employees explored how autistic people may process information and experience their surroundings differently.

Kyle Ducey, MSN, CPNP-PC, Keystone Pediatrics in Chambersburg, is a parent of a child with autism. He addressed the bank's employees, offering a personal perspective, "Being both a parent of a child with autism and a healthcare provider has given me a deeper understanding of the journey families experience. It allows me to support them with not only clinical expertise, but also empathy, understanding, and hope."

This event marked the bank's annual observance of *Banktoberfest*, which, since its inception in 2016, has emphasized team building, exceeding expectations, and community service. Previous events included projects that contributed to environmental conservation efforts, benefited area food pantries, provided essentials for local at-risk veterans, and supported foster care agencies and first responders.

"As we celebrate the 10th anniversary of Banktoberfest and the bank's 120th anniversary, this year's focus on autism awareness reflects our longstanding commitment to understanding and supporting the communities we serve," said **Chad Carroll**, President and COO of F&M Trust. "Bringing our employees together to learn, serve, and make a meaningful difference is an important part of who we are as a community bank."

Cindy Myers, principal of Laurel Hall School's Frederick, MD, location, noted, "Many of our students have autism, sensory needs, limited communication skills, and have to take long bus rides, so items like these can provide meaningful support. We are grateful to team up with F&M Trust and accept these generous gifts, which will make a tremendous impact for our students and school community."



The right home needs the right mortgage.

We've got you covered.

It's more than a mortgage. The benefits of a great mortgage extend far beyond simply purchasing a home. With **the right mortgage** solution, you can build a strong foundation for your financial future while enjoying the comfort, stability, and security of a place that's truly your own. Now that's *Banking Done Your Way*®.

APPLY ONLINE NOW F&M TRUST

fmtrust.bank

Member FDIC EQUAL HOUSING LENDER

Leading the Way

A great bank starts with great people. Meet a few key members of our F&M Trust team:



Dave Long *PROMOTION*

Chief Information and Technology Officer

Dave has been promoted from Chief Technology Officer to Chief Information and Technology Officer, overseeing Technology Services, the Project Management Office, Facilities, and Deposit and Loan Operations, as well as helping guide the bank's technology and data strategy, operational infrastructure, and more.



Matt Berger *PROMOTION*

Senior Vice President and Director of Wealth Management Sales

Matt has been promoted to Senior Vice President and Director of Wealth Management Sales. In this role, he is responsible for leading wealth management sales efforts and supporting continued growth across the line of business.



Cindy Marconi *PROMOTION*

Senior Vice President – Treasury Management

Cindy has been promoted from Treasury Deposit and Business Services Manager to Senior Vice President. She leads the Treasury Management deposit growth initiatives, oversees product development, and ensures strong operational performance for new and existing client relationships.



Summer Franzoni *PROMOTION*

Senior Vice President – Retail Banking

Summer has been promoted from Retail Banking Manager to Senior Vice President. She is responsible for driving retail growth, strengthening team performance, supporting sales and service initiatives, and ensuring consistent customer experiences across the bank's Community Office network.



L to R: Dr. Ashley Whaley, Senior Director, College Advancement, Hagerstown Community College; Dr. James Klauber, President, Hagerstown Community College; Chad Carroll, President and Chief Operating Officer, F&M Trust.

Helpful Ways IN OUR COMMUNITY

New Scholarship Established at Hagerstown Community College

F&M Trust recently created a new scholarship entitled the *F&M Trust Presidents' Scholarship*.

The $50,000 scholarship fund was pledged during the college's 75th Anniversary Campaign in 2021, and then formally established this year.

The new scholarship includes eligibility requirements of demonstrated financial need and residency in Washington County, MD, or the PA counties of Franklin, Fulton, Huntingdon, Cumberland, Dauphin, or Lancaster.

F&M Trust created this opportunity to help Hagerstown Community College (HCC) expand financial aid for students who are facing affordability challenges, while supporting the college's effort to increase scholarship funding.

The new F&M Trust Presidents' Scholarship reflects the bank's deep commitment to help strengthen the community by investing in student success, future workforce development, and long-term economic prosperity.

For more information on the F&M Trust Presidents' Scholarship at HCC, please visit https://hagerstowncc.academicworks.com/opportunities or contact the HCC Foundation Office at collegeadvancement@hagerstowncc.edu or 240-500-2348.